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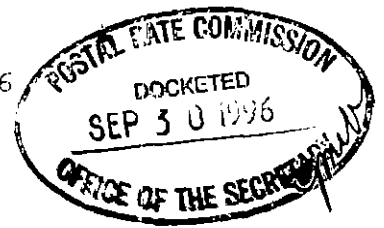
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BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Special Services Fees and Classifications) Docket No. MC96-3

OFFICE OF THE CONSUMER ADVOCATE
COMMENTS IN RESPONSE TO
PRESIDING OFFICER'S RULING NO. MC96-3/16
(September 30, 1996)



The Office of the Consumer Advocate (OCA) hereby supplements its September 6, 1996 motion to compel a response to interrogatory OCA/USPS-53, parts (b) and (c). These additional comments are authorized by Presiding Officer's Ruling No. MC96-3/16, September 26, 1996.

As stated in the original motion to compel, the purpose of interrogatory 53 is to permit a comparison of known and estimated attributable costs by craft at the individual facility level. Such comparisons are an obvious means to judge the accuracy and reliability of the IOCS. See Presiding Officer's Ruling No. MC96-3/12, September 12, 1996, at 2.

The Postal Service has attempted to confuse this simple question of relevance by intimating that it does not know how to

generate an IOCS estimate of cost for a sample office.¹ For the edification of the Postal Service, the following formula generates an IOCS estimate of cost by craft by individual office:²

$$C_{s,k,1}/n_{k1} * n_{jk1},$$

where $C_{s,k,1}$ is the total cost of all sample offices of a particular CAG for a particular craft, n_{k1} is the total number of tallies for that CAG and craft, and n_{jk1} is the total number of tallies for an individual office.

The OCA fully expects there to be variation between estimated and actual costs by individual sample office. It is the nature of that variation that will reflect on the reliability of the IOCS. For example, if 90 percent of the differences between actual and estimated cost were positive, and 10 percent were negative, this would demonstrate a need to investigate the cause of such an odd distribution of differences.

The Postal Service has not explained in concrete terms how production of the requested information, masked to conceal

¹ "[W]here less than all offices in a CAG are sampled by IOCS, since total labor costs include costs for the entire CAG, estimated costs for a particular sampled office within that CAG will be greater than the actual costs for that office." Opposition of the USPS to OCA Motion to Compel . . . , September 13, 1996, at 5.

² Assuming that the documentation contained in LR-SSR-90 is complete and accurate.

facility identities, could in any way harm the Postal Service's labor-management relations or its competitive position. There is thus no way to balance hypothetical concerns about facility-specific data against obvious relevance.

WHEREFORE the OCA requests the presiding officer to direct the Postal Service to respond to interrogatory OCA/USPS-53, parts (b) and (c).

Respectfully submitted,



EMMETT RAND COSTICH
Assistant Director

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 3.B(3) of the special rules of practice.



EMMETT RAND COSTICH
Attorney

Washington, D.C. 20268-0001
September 30, 1996